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METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

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Mr. Lester Snow
Executive Director
CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
Sacramento, California 95814

Attention: Mr. Rick Breightenbach

Dear Mr. Snow:

Comments on Draft Programmatic EIS/EIR for the CALFED Bay-Delta Program

The Metropolitan Water District of Southern California (Metropolitan) has received and reviewed the Draft Programmatic EIS/EIR (Draft PEIS/EIR) for the CALFED Bay-Delta Program (Program). This letter represents Metropolitan's response as an affected public agency stakeholder. Metropolitan provides supplemental imported water from both the Bay-Delta and the Colorado River to the 16 million people within its Southern California service area through its 27 member agencies. Metropolitan has also participated in the CALFED process as a member of both the Agricultural-Urban Water Caucuses and the California Urban Water Agencies and concurs with the comments submitted by those organizations. This letter supplements the comments submitted by those organizations.

The accomplishments of the CALFED Program to date are extensive, but considerable work remains to be done in order to provide sufficient level of disclosure in the Final PEIS/EIR to support the selection of a preferred alternative and assure its smooth implementation. We intend our comments on the Draft PEIS/EIR to be constructive and useful for adjusting the Program PEIS/EIR and its analyses so that the preferred alternative to be identified in the Revised Draft PEIS/EIR will provide a satisfactory and implementable outcome for Metropolitan and its member agencies. Metropolitan is fully supportive of the CALFED Program and remains committed to working on assurances for Program implementation.

This letter raises concerns and provides recommendations regarding critical issues that Metropolitan has with the Draft PEIS/EIR. We strongly recommend that the Revised Draft PEIS/EIR and supporting technical appendices:

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- (1) Disclose the Full Decision Tree Now. Disclose the full range of possible outcomes under the preferred alternative so that no additional programmatic disclosure will be required in five years to make the deferred determinations concerning the conditional facility components of the preferred Program alternative;
- (2) Utilize Numerical Performance Criteria for Water Quality in Light of Public Health. Broaden the analysis of drinking water quality parameters of concern and utilize bromide as a key numerical criterion for evaluating the alternatives' performance;
- (3) Clarify Conservation Actions. Clarify that the water use efficiency component of the CALFED Program will utilize BMP performance as the implementation approach for conservation, and that water-based sanctions will not be utilized as an enforcement tool for volumetric targets for conservation and recycling, and that enforcement mechanisms will not restrict water transfers;
- (4) Recognize that Salt Balance is the Key to Water Management. Reflect the importance of low salinity Delta supplies for managing Southern California water supplies--blending with high TDS Colorado River water is crucial to expanded recycling and groundwater recharge and conjunctive use programs; and
- (5) Recognize that Growth Plans Already Exist and Have Been Disclosed. Revise the analysis of growth inducement to recognize that Southern California regional governments have adopted and disclosed growth management plans. Metropolitan's Integrated Resource Plan (IRP) is consistent with these plans.

Discussion of these points follows. Metropolitan's detailed comments that focus on specific discussions and/or analyses presented in the Draft PEIS/EIR and the technical appendices and supporting documents are included in an enclosure to this letter (Enclosure 1).

- (1) **Disclose the Full Decision Tree of Outcomes Under the Preferred Alternative So that No Additional NEPA/CEQA Disclosure will be Required to Make Future Determinations Concerning the Conditional Facility Components of the Preferred Program Alternative.**

We understand that it is likely that the preferred Program alternative to be proposed by CALFED will include conditional components, such as the isolated conveyance and additional surface storage, where the decision to build will be determined at a later date, say in 2005. It is of critical importance that CALFED define and disclose these decisions now, with a schedule for completing them. This schedule needs to identify a date certain

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for future decision-making and should include a long-term adaptive management approach addressing drinking water issues to respond to future drinking water quality standards. Such an approach will periodically evaluate conditions of water quality in the Delta, new drinking water standards to be promulgated, treatment technology and feasibility/cost, and the need for an isolated conveyance facility. The decision date(s), criteria for deciding, and identification of the decision-maker must be disclosed now in this PEIS/EIR to ensure that the future completion of the conditional decision does not become bogged down with requirements for new programmatic NEPA/CEQA disclosure or with reopening of system-wide endangered species or Clean Water Act issues. Future determinations regarding an isolated conveyance facility and additional surface storage must be based on criteria that achieve CALFED's currently stated Program goals and that are disclosed in the PEIS/EIR. In particular, the determination to move forward with an isolated conveyance must be triggered by one or more of the following: recovery needs of Delta fisheries, bromide and other constituent issues for drinking water quality, and should consider benefits of reducing TDS for water supply management necessary to maintain the viability of recycling, conservation, and groundwater storage/conjunctive use.

In short, tomorrow's conditional decision is part of today's preferred alternative to be disclosed in a Revised Draft PEIS/EIR in December 1998. Metropolitan believes it essential that the Revised Draft PEIS/EIR include the following:

- Scope of the Preferred Alternative Including the Decision. Complete description of the preferred alternative including the conditional components;
- Disclose the Environmental Consequences of the Alternate Outcomes. Full disclosure of the effects of the preferred alternative with and without the conditional components for surface storage and the isolated conveyance facility;
- Disclose Criteria for Deciding. The criteria to be used to make the future determinations whether to move forward with each conditional component;
- Disclose Who Decides. Identify the agency or agencies or stakeholders which will make the decision, and the instrument that will be used (e.g., Endangered Species Act section 7 consultation);
- Define the Scope of Studies to Provide the Information Base for Deciding. Disclose the scope of studies to be undertaken to generate decision information;
- Date Certain. Commit to a date for these future determinations, for using the best information available at that time including adaptive management studies

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undertaken for the purpose, and to a long-term adaptive management approach addressing drinking water quality, newly promulgated standards, and the need for an isolated conveyance; and

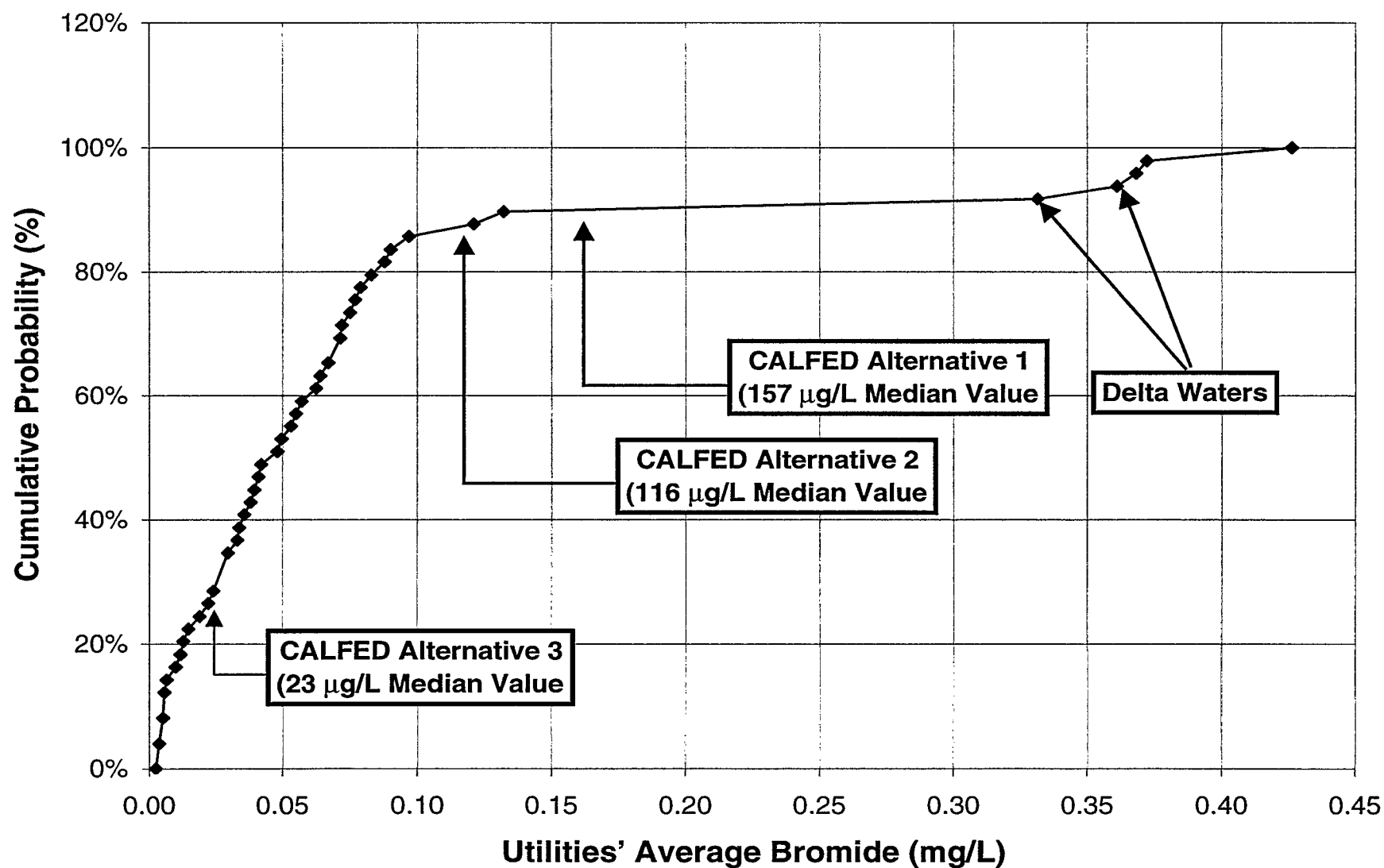
- **Make Findings.** Find that the preferred Program alternative, including the outcome of the decision which has been defined and disclosed, constitutes the best practicable environmental solution for meeting the CALFED Program purposes, objectives, and principles, complies with the Clean Water Act, and will best contribute to recovery of Delta fisheries.
- (2) **Broaden the Analysis of Drinking Water Quality Parameters of Concern and Utilize Bromide as a Key Criterion to Evaluate the Alternatives' Performance.**

The Draft PEIS/EIR alternatives analysis is currently insufficient to evaluate the alternatives against the stated CALFED purpose of drinking water quality. The Phase II Interim Report ranks the performance of the alternatives as high, medium or low, but this does not assess the alternatives' ability to provide source water that can be cost-effectively treated to meet future drinking water standards. Such an approach may lead readers to believe that a "medium" ranking would be in some way capable of meeting drinking water quality standards. With respect to bromide, for example, Alternative 2 would result in lower levels compared to Alternative 1, but would result in bromide levels that would be considered poor quality when compared to other utilities throughout the nation (see attached figure "Cumulative Probability Distribution of Average Bromide Concentrations in U.S. Waters", U.S. EPA 1994¹). It is important that the presentation of results of water quality analyses show data peaks and indicate the variability rather than just showing average values, since this will better reflect actual conditions faced by water suppliers.

Drinking water quality has public health impacts. The CALFED water quality program developed a list of parameters and target levels, but the Draft PEIS/EIR does not reference this effort. As a result, the Draft PEIS/EIR does not adequately address the effect of the alternatives on public health. The Draft PEIS/EIR states that CALFED will assemble a scientific panel to further address bromide target levels in Delta source water. We request that CALFED quickly assemble this panel, and that it initially focus on the health effects of brominated disinfection byproducts. This panel also needs to evaluate the

¹ U.S. EPA 1994. "National Primary Drinking Water Regulations, Disinfectants and Disinfection Byproducts, Proposed Rule," Federal Register 59:145:38723, Figure VI-7, July 29, 1994.

Cumulative Probability Distribution of Average Bromide Concentrations in US Surface Waters (USEPA 1994)



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scientific review and conclusions developed by the CUWA Expert Panel for bromide and TOC target levels (Owen 1998)².

We strongly disagree with the Phase II Interim Report, page 137, where it states that: "Current health effects research and treatment technology information from this effort simply do not provide an adequate basis from which to project what the water quality parameters for drinking water standards, or treatment options to meet those standards, are likely to be over the next five to ten years. As such, the specific importance of bromide levels as a 'distinguishing characteristic' for the CALFED alternatives is unclear."

This statement displays a disregard for the public health consequences of CALFED's actions. It also denies EPA's statutory responsibility to protect the public health and it denies CALFED's stated purpose in the NOI/NOP³ of March 1996 which includes municipal water quality as a purpose. EPA will likely regulate brominated DBPs in the future to address public health issues identified in scientific work. MWD's interest is to be capable of providing drinking water supplies which are protective of public health. As such, we believe it is critically important for CALFED to recognize the scientific work that has been done to date and to anticipate future trends in regulatory requirements for drinking water.

Substantial evidence is currently available (U.S. EPA 1998)⁴ that clearly indicate that brominated DBPs are more significant contributors to adverse health effects in drinking water than chlorinated DBPs such as chloroform (Butterworth 1995)⁵. The enormity of such information indicates that future regulations will likely focus on specific brominated compounds (U.S. EPA 1998a).⁶ As a result, source water bromide levels will play a critical role in the ability to comply with future regulations and protect the public health. Further, bromate has been found to be the most carcinogenic DBP assessed to date. It should be noted that bromide levels in water supplies obtained from the Delta exceed

² Owen 1998. Owen, Douglas M., P.E.; Daniel, Phillippe A., P.E.; Summers, R. Scott, Ph.D. "Bay Delta Water Quality Evaluation: Draft Final Report prepared for the California Urban Water Agencies. June 1998.

³ Notice of Intent to prepare an environmental impact statement/Notice of Preparation of an environmental impact report.

⁴ U.S. EPA 1998. "EPA Panel Report and Recommendation for Conducting Epidemiological Research on Possible Reproductive and Developmental Effects of Exposure to Disinfected Drinking Water," National Health and Environmental Effects Research Laboratory, Research Triangle Park, NC, Feb. 1998.

⁵ Butterworth, B. E. 1995. "Assessing the Cancer Risk of Chloroform," in workshop report "Disinfection By-products in Drinking Water: Critical Issues in Health Effects Research," Oct. 1995 International Life Sciences Institute [ILSI] Health and Environmental Sciences Institute, Washington, DC.

⁶ U.S. EPA 1998a. "National Primary Drinking Water Regulations, Disinfectants and Disinfection Byproducts; Proposed Rule; Notice of Data Availability; Proposed Rule," Federal Register, 63:31:15674, March 31, 1998.

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levels experienced by 90 percent of the utilities throughout the nation. In addition, a number of recent studies (U.S. EPA 1998) indicate that with respect to adverse reproductive/developmental health effects, brominated DBPs are of a greater concern than chlorinated DBPs. Based upon this information, bromide must be considered one of the key water quality parameters and a distinguishing characteristic between the CALFED alternatives. Metropolitan believes that to comport with the NOI/NOP, CALFED's Revised Draft PEIR/EIS must reflect the critical importance of bromide in its evaluation and comparison of the alternatives. This issue will be a critical factor in Metropolitan's support for a preferred alternative.

- (3) Clarify that the Water Use Efficiency Component will Utilize BMPs for Conservation, that Water-Based Sanctions will not be Utilized as an Enforcement Tool for Volumetric Targets for Conservation and Recycling, and that Enforcement Mechanisms will not Restrict Water Transfers.**

For the past two years, CALFED has received consistent commentary from numerous water agencies, environmental groups and the public that water use efficiency is a necessary element of the CALFED solution, that water agencies should be compelled to uniformly implement water conservation and water recycling measures, and that the current system for encouraging water conservation under the current Memoranda of Understanding (both urban and agricultural) should be preserved and enhanced. This approach has been refined in negotiations with water agencies, environmental groups and CALFED staff, and appears to be correctly described in the Draft PEIS/EIR and Water Use Efficiency Component Technical Appendix. The basic premise for the approach to water conservation is *a review of agency performance*: a certification process for urban water agencies conducted by the California Urban Water Conservation Council under the *Memorandum of Understanding Regarding Urban Water Conservation in California*, and a review of the progress of agricultural water agencies under the *Memorandum of Understanding Regarding Efficient Water Management Practices by Agricultural Water Suppliers in California*. Metropolitan supports this approach.

However, the Draft PEIS/EIR and the Water Use Efficiency Component Technical Appendix introduce for the first time in these CALFED discussions the concept of numeric targets for water use efficiency. The Technical Appendix contains specific estimates for both urban and agricultural water conservation savings and water recycling, broken down by region. Although not explicitly referenced as a "requirement", these targets could be construed as a possible determination of water use efficiency progress. Further, the CALFED documents suggest that these targets would be enforced by denying or delaying access to CALFED water supply benefits or by restricting water transfer markets. The Draft PEIS/EIR states on page 2-13 that: "A high level of water use efficiency may also be assured through the concept of linked implementation. Widespread

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demonstration of efficient use by local water suppliers and irrigation districts could be a prerequisite to CALFED implementation of other program actions for water supply reliability." And the Phase II Interim Report states on page 57: "As a prerequisite to obtaining CALFED Program benefits (receiving "new" water, participating as a buyer or seller in a water transfer, receiving water from a drought water bank) water suppliers will have to show that they are in compliance with the applicable urban or agricultural council agreements and applicable State law."

It is critical that CALFED clarify that these proposed savings numbers are not intended for use as targets or threshold performance levels. We therefore request that the Revised Draft PEIS/EIR and Water Use Efficiency Technical Appendix be revised to clarify that the CALFED Program will utilize implementation of Best Management Practices (BMPs) for urban agencies and the Efficient Water Management Practices (EWMPs) for agricultural agencies on a cost-effective implementation basis as performance measures for conservation, and that volumetric targets for specific regions not be enforced with delays in CALFED implementation or imposition of water-based sanctions.

Metropolitan is deeply concerned with the suggestion that water-based sanctions would be used to enforce conservation and water recycling. We strongly recommend that CALFED rely on a program of disincentives such as fines rather than denial of benefits that a stakeholder has already committed to pay for. Further, we recommend that such enforcement strategies not restrict either buyers or sellers in a water transfer market. Water transfers, in themselves, constitute one of the most important methods of water use efficiency. It is entirely nonproductive to hamstring water transfers and markets because of an implementing problem in another efficiency area. We request that the Revised Draft PEIS/EIR clarify that enforcement of conservation and water recycling actions be accomplished with a program of progressive disincentives such as fines, and that enforcement will not interfere with water transfers or market operation.

CALFED's Methodology for Water Conservation Estimates is in Error. Even with these requested clarifications, we have to point out the methodological errors that CALFED has made in the Draft PEIS/EIR in estimating potential levels of water use efficiency and recycling. In developing its Integrated Resources Plan (IRP), Metropolitan set an ambitious goal of 882,000 AF/Y of *total* conservation savings by 2020 (MWD 1996).⁷ Existing conservation savings were estimated at 250,000 AF/Y and additional savings of 632,000 AF/Y were targeted by 2020. These future anticipated savings include active conservation programs involving agency-funded or facilitated programs that accomplish

⁷ MWD 1996. Southern California's Integrated Water Resources Plan, Volume 1: The Long-Term Resources Plan. Report Number 1107, pp. 3-5. March 1996.

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full implementation of all cost-effective BMPs to achieve savings of 442,000 AF/Y. An additional savings of 190,000 AF/Y is anticipated to result from implementation of plumbing code ordinances and laws. Metropolitan developed its IRP goal using research of the California Urban Water Conservation Council (CUWCC), California Urban Water Agencies, American Water Works Association and the AWWA Research Foundation.

The CALFED Draft PEIS/EIR estimate of 1,410,000 AF/Y for the South Coast region, 68 percent of the Statewide total savings that CALFED is seeking, is based on methodological errors. Our review of the CALFED methodology suggests the following sources of discrepancy between our respective estimates of possible conservation water savings. First, CALFED appears to have assumed that all water agencies, regardless of their MOU signatory status, will implement all BMPs regardless of their cost effectiveness for each agency. Page 5-2 of the Water Use Efficiency Component Technical Appendix indicates that incremental water savings under the 'No Action' alternative "requires full implementation of conservation measures by all urban water use sectors". Under the terms of the California Urban Water Conservation Council (CUWCC) MOU, however, only cost-effective BMPs will be implemented by each signatory agency.

Similarly, the water savings estimates given on pages 5-42 and 5-43 of the Draft PEIS/EIR assume that BMP implementation will reach the entire population of each region. In reality, cost effective implementation levels will be less than 100 percent. Multiplying the effect of BMPs by the entire population of a region assumes that conservation programs can be delivered to all customers in a cost-effective manner. This assumption is contradicted by field experience. Recognizing this fact, the current MOU on BMPs states that the cost-effective saturation level for active conservation measures can be significantly less than 100 percent. For example, BMP #2 considers 75 percent saturation of low-flow showerheads within an agency's service territory to constitute full implementation of this BMP.

Further, CALFED's calculations for water savings in the residential sector count the same water savings twice in the 'No Action' alternative. On page 5-42 of the Water Use Efficiency Component Technical Appendix, the urban information for Metropolitan's region lists a 1995 residential indoor average use of 85 gpcd, and 65 gpcd for 2020. Preliminary results for three study sites within Metropolitan's service area from the Residential End Use Study conducted by the American Water Works Association Research Foundation (AWWARF) show indoor use is already close to 60 - 65 gpcd. This being the case, the anticipated future savings for indoor use of 520,000 - 540,000 AF/Y shown on page 5-43 of the technical appendix has already been achieved by conservation investment to date and is part of the existing baseline.

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CALFED Recycling Estimates. Since 1982, Metropolitan has funded wastewater recycling projects. We currently pay up to \$250/AF to our member agencies as an incentive for recycling projects. Altogether, Metropolitan's member agencies and subagencies have implemented more than 100 projects totaling 250,000 AF/Y of recycled municipal wastewater of sewage origin. (This does not include hundreds of thousands of AF of washwater recycling at drinking water treatment plants.) Southern California has set the standard for municipal wastewater recycling.

Based on this track record, the potential for recycling under the 'No Action' and 'With CALFED' scenarios in the Draft PEIS/EIR is greatly overstated. The Draft PEIS/EIR has relied on data for the South Coast Area that was used in development of DWR's Bulletin 160-98. Bulletin 160-98 indicates an annual potential of one million AF of recycling in the South Coast Area by 2020, while Metropolitan estimates that approximately 450,000 AF of recycling could realistically be accomplished in this same time period under its IRP. The Southern California Comprehensive Water Reclamation and Reuse Study is currently examining the potential for additional "regional" recycling that could be accomplished with the development of regional recycling infrastructure. That study has not yet reached conclusions regarding cost or use potential due to the inherently complex issues involved with feasibility of projects of a regional scale: cost, regulatory compliance, inter-agency participation, public acceptance, environmental impacts.

In our comments on the Draft Bulletin 160-98 (enclosure 2), Metropolitan disagreed with the recycling data used, and indicated that a thorough review of the unpublished DWR 1996 survey data was necessary to resolve the inconsistencies. Given that CALFED has utilized the estimates presented in DWR's draft Bulletin 160-98, it is imperative that we meet with CALFED and DWR staff to reconcile the differing estimates.

Metropolitan's concern with the use of conclusions from Bulletin 160-98 is further compounded by CALFED's use of gross estimates of potential recycling in the 'With CALFED' scenario. For example, page 6-12 of the Water Use Efficiency Technical Appendix states, "*based on professional judgement, ... a maximum of 40 percent of the remaining 2020 wastewater flow could realistically be recycled.*" There is no rationale or explanation offered in support of this "professional judgement", and we disagree that such an assumption could be appropriately applied on a general, Statewide basis. We request that the Revised Draft PEIS/EIR include supportable rational analyses for reaching conclusions regarding such ambitious goals. The outcome of the CALFED process is far too important to be based on an unsupportable rule-of-thumb approach.

The CALFED 'No Action' recycling threshold for the South Coast Area presented in the Draft PEIS/EIR needs to be reduced to give appropriate credit for existing and planned recycling efforts that reduce demands for imported water supplies. CALFED should

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recognize that a significant amount of the existing recycled water in Metropolitan's service area has been developed in anticipation of the need to reduce imported water from the Bay-Delta system. Metropolitan provides financial assistance to encourage projects which will account for about 40 percent of the regional 2020 production goals. As a prerequisite to receiving Metropolitan assistance, a recycled water project must replace existing or future demands for Metropolitan's imported supplies. About 210,000 AF/Y of recycled water production in 2020 (of the 450,000 AF/Y total) is expected to receive Metropolitan financial support under existing contracts at an annual cost to Metropolitan reaching about \$22 million. The Revised Draft PEIS/EIR should recognize this existing effort in recycled water as a benefit to the Bay-Delta ecosystem.

Additional recycled water projects are not expected to proceed unless they too benefit the Bay-Delta with reduced demands for imported water. We request that the 'No Action' threshold be modified in the Revised Draft PEIS/EIR to reflect that all new recycling that can be shown to reduce demands on imported supplies is a part of the CALFED solution. The upper limit of recycling potential in Metropolitan's service area must be linked to Metropolitan's IRP process (2020 recycling goal of 450,000 AF/Y) which is periodically adjusted as necessary to reflect changes in regional water supply planning.

Groundwater Recovery as Recycling. Metropolitan has also embarked on a program to recover degraded, unused groundwater resources. In many cases the degraded groundwater resource is associated with septic tank or urban wastewater discharge, irrigation return flows or industrial discharge. Its recovery is indeed water recycling. The cost and difficulty of recovering degraded groundwater is comparable to that of water recycling. Groundwater recovery provides comparable water use efficiency benefits to traditional water recycling. To encourage groundwater recovery, Metropolitan has established programs that pay up to \$250/AF to member agencies for recovered groundwater projects. Current groundwater recovery production is 36,000 AF/Y. This production is estimated to increase to 50,000 AF/Y by 2020. We request that the Revised Draft PEIS/EIR give recognition to groundwater recovery as a form of recycled water.

(4) Reflect the Importance of Low Salinity Delta Supplies for Managing Southern California Water Supplies--for Blending with Colorado River Water, Recycling, and Groundwater Recharge

The Draft PEIS/EIR does not adequately address the importance of total dissolved solids (TDS) in Delta source water for water resources management and water use efficiency in the export areas. Metropolitan's service area requires consistently lower TDS in its supplies from the Delta in order to minimize its demands for additional Delta supplies and to optimize opportunities for water use efficiency. Receipt of low salinity water from the Delta is critical to "blending down" the high-salinity of a full Colorado River Aqueduct to

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make these supplies useful for recycling and groundwater recharge. Low-salinity water is also necessary to achieve goals for water recycling and groundwater management, and avoids costs for desalination and potential abandonment of local supplies. Under Metropolitan's 1998 blending policy, the quantitative need for State Project Water increases when that water is of higher salinity and diminishes when that water is of lower salinity.

It is useful to review the salinity concentrations of Metropolitan's supplies when considering the importance of this issue. Colorado River supplies average approximately 700 mg/L TDS. SWP water at Castaic Lake has had a median salinity value of 350 mg/L over the last ten years. Additionally, urban use of water adds 250 - 400 mg/L TDS to these supplies and affects the viability of recycling and groundwater recharge of using wastewater.

Salinity management is critical to optimize opportunities for regional water resources management and water use efficiency. Basin management plans developed by the regional water quality control boards in Metropolitan's service area pursuant to the Clean Water Act require that water used for groundwater recharge not exceed 400 - 450 mg/L TDS. Higher salinity reduces the industrial and irrigation value of recycled water, requiring on-site treatment or reducing yields of salt-sensitive crops. Significant consumer costs associated with scaling, corrosion, and use of softeners are also avoided when supplying water with lower salinity concentrations.

Further, *consistently* low TDS is very important to developing and maintaining recycling and groundwater conjunctive use programs. During the last ten years, TDS concentrations in SWP water measured at Castaic Lake ranged from approximately 270 to 470 mg/L. This 200 mg/L swing in salinity substantially increases difficulties for establishing recycling projects with a consistent and reliable product and for groundwater conjunctive use programs that must meet Basin Plan objectives.

Recognition of this relationship is missing from a number of analyses in the Draft PEIS/EIR including the discussions in the Phase II Interim Report regarding Implications of the Delta Conveyance Decision on Export Water Quality (page 136) and in the Draft PEIS/EIR comparison of program alternatives to the 'No Action' alternative at Section 6.1.3.4. The Revised Draft PEIS/EIR needs to reflect the relationship between low TDS source water, management of Colorado River and local water resources, recycling, groundwater conjunctive use, and the CALFED water use efficiency program. The reductions in salt loading available under Alternative 3 are very important to these long-term water management issues and need to be discussed in the Revised Draft PEIS/EIR.

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It needs to be clear that Metropolitan requires significant reductions of TDS in its State Water Project supplies to maximize the opportunities for water use efficiency. In short, about 35 percent of the region's future water supplies will come from water recycling, conservation, and groundwater storage. These water management programs are only feasible with imported water of low salinity. Without improvements to current levels of salinity of imported water supplies, many of these programs will not be possible.

(5) Revise the Analysis of Growth Inducement to Recognize Actions Taken by Regional Government in Southern California.

The Draft PEIS/EIR (pages 10-1 through 10-3, and 7.2-32) concludes that improvements in water supply, reliability and quality provided by Alternatives 2 and 3 could induce urban growth in the SWP and CVP service areas outside the Central Valley. The Draft PEIS/EIR further finds that this induced growth would have adverse impacts on habitat essential to support sensitive plant and animal species found in the service areas. Metropolitan strongly disagrees with these conclusions presented in the Draft PEIS/EIR. In the course of planning and approving significant capital improvements for water supply facilities within its service area, Metropolitan has consulted with Southern California regional planning agencies and has reached significantly different conclusions on this issue.

The Southern California Association of Governments (SCAG) "Regional Comprehensive Plan and Guide" published in 1996 links regional population growth to employment growth. The San Diego Association of Governments (SANDAG) "Regional Growth Management Strategy" published in 1993 presents a similar perspective. Improvements to water supplies do not alter population and employment growth trends at the regional level. In fact, SCAG and SANDAG project total regional population growth without considering future improvements to water, highway, and other infrastructure. Their demographic experts have concluded that growth will occur due to a wide variety of factors unrelated to improvements in water systems.

Metropolitan's demand projections for supply and infrastructure rely on the population projections of SCAG and SANDAG and are consistent with their adopted growth management plans and associated EIRs. The SCAG documents identify provision of adequate sources of water supply and facilities necessary to meet the projected population growth as a mitigation measure. As a result, Metropolitan believes that the conclusions regarding growth inducement in the Draft PEIS/EIR are incorrect and need to be revised in the Revised Draft PEIS/EIR to reflect these considerations.

We appreciate the opportunity to participate and provide input to the CALFED Program throughout its development. We continue to look to the CALFED Program as the best means of resolving issues and achieving benefits for all interests in the Bay-Delta and its

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watershed. We look forward to continuing our involvement in the Program to assist with identification and definition of the preferred alternative and development of supporting agreements.

Very truly yours,



Debra C. Man
Chief, Planning and Resources

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Enclosures